

**CITY OF EL PASO, TEXAS**  
**AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** City Manager

**AGENDA DATE:** March 1, 2005

**CONTACT PERSON/PHONE:** Joyce A. Wilson, City Manager, X4844  
Elaine S. Hengen, Assistant City Attorney, X4550

**DISTRICT(S) AFFECTED:** N/A

**SUBJECT:**

An ordinance to amend Section 3.04.050 (Delinquent Taxes—Installment Payments—Nonlitigated Delinquencies) and to delete Section 3.04.060 (Delinquent Taxes—Installment Payments—Litigated Delinquencies). This ordinance will provide that delinquent tax installment agreements shall be entered into administratively and signed by the Tax Assessor/Collector and the City Manager

**BACKGROUND / DISCUSSION:**

This Ordinance amends two code provisions that delineate the circumstances when persons with delinquent taxes may be permitted to pay those taxes through an installment agreement. This ordinance will delete section 3.04.060 and provide one method for making these installment agreements. In accordance with section 33.02, Texas Tax Code, the Tax Assessor/Collector will enter into all of the agreements and the City Manager or designee will also sign agreements for more than \$10,000 of delinquent taxes, as an administrative safeguard. Additionally, by adopting this ordinance, all installment agreements will be implemented at the time of determination, eliminating time lost and costs associated with processing this administrative item for the Council agenda, and will allow the City to start collecting delinquent taxes sooner.

**PRIOR COUNCIL ACTION:**

The last amendment to this section of the code was in Ordinance 13235 in 1997.

**AMOUNT AND SOURCE OF FUNDING:**

N/A

**BOARD / COMMISSION ACTION:**

N/A

\*\*\*\*\***REQUIRED AUTHORIZATION**\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:** \_\_\_\_\_

(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

**APPROVED FOR AGENDA:** \_\_\_\_\_

**CITY MANAGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**JOE WARDY**  
MAYOR

**JOYCE WILSON**  
CITY MANAGER

**CITY COUNCIL**  
SUSAN AUSTIN, DISTRICT 1  
ROBERT A. CUSHING, JR., DISTRICT 2  
ALEXANDRO LOZANO, DISTRICT 3  
JOHN F. COOK, DISTRICT 4  
PRESI ORTEGA, JR., DISTRICT 5  
PAUL J. ESCOBAR, DISTRICT 6  
VIVIAN ROJAS, DISTRICT 7  
ANTHONY W. COBOS, DISTRICT 8

## OFFICE OF THE CITY MANAGER

March 10, 2005

TO: Mayor and City Council

FROM: Joyce Wilson, City Manager

SUBJ: Ordinances for Consideration on March 15

City Council will consider a series of ordinances regarding the delegation of certain duties and responsibilities to the City Manager. Among them include a delineation of signatory authority between those actions to be retained by the Mayor and those activities to be transitioned to the City Manager. In addition, several of the ordinances are designed to delegate responsibilities to the City Manager that would no longer require bringing items before the City Council for action. Those include:

- release of liens once fulfilled,
- reimbursement for overpayments,
- authority to implement tax payment installment agreements,
- authority relating to grants applications and administration,
- clarifying other authorities to enter and sign certain personal services contracts (primarily a housekeeping item to the ordinance approved by City Council in September 2004 as part of the transition process),
- authority to make provisional and temporary appointments upon approval of the Civil Service Commission (excluding department heads that would still require City Council approval under the Charter),
- authority to lease facilities, i.e., museum and arts venues, for events with alcohol.

Many of these activities were identified by the Transition Team working with the City's consultant, Terrell Bloggett, prior to September 1, 2004, when the new charter amendments took effect. Others were raised by staff and/or the City Attorney's Office as opportunities to reduce time and costs associated with processing fairly routine administrative matters for the City Council agenda, and/or reducing duplication of reviews or time lags for implementation.

Staff estimates that approval of these items would reduce the Consent Agenda by 25-30%. In the context of time and effort, the City Clerk's Office spends collectively about 80 hours a week preparing the Council Agenda. A 30% reduction would save about 26 hours per week or approximately 1400 hours annually. Based on a \$20 hour annual salary cost, the savings would equate to nearly \$30,000 annually. The City Attorney's Office estimates that Agenda review requires about 30 minutes of attorney time and 30 minutes of other staff time for each item on the Consent Agenda to assure that all is in order. Annualized time savings equate to 180 to 265

hours each – attorney and staff time – or a cost savings of \$16,500 based on hourly rates of \$46 and \$15 per attorney and staff. In addition, the initiating agencies expend approximately one to two hours developing the paperwork for submittal and securing appropriate approvals for each agenda item. The City Manager spends approximately one hour weekly going through the preliminary agenda and then another hour weekly with all affected agencies reviewing the agenda in preparation for the Tuesday meeting. While no dollars have been expressly identified for these time investments, the net impact in terms of opportunity costs equates to approximately 2-3 FTEs, plus City Council's and their staff's time organizing and reviewing a weekly agenda crowded with a lot of mundane items that detract from the more substantive business of the City Council.

Beyond this assessment, all of the human resources matters are reviewed and approved by the Civil Service Commission. Presently it takes the approval of two independent governing bodies to enact even minor temporary or provisional hires, which requires 2-4 weeks of lead time to process the request, post the agenda and get approval. This does not appear to be the best use of City Council's, volunteer Commissioners, and staff time in terms of value added and productivity.

Assistant City Attorney Elaine Hengen will be available to speak to each of these ordinances at the March 15 meeting. In the interim, please feel free to contact me if you have outstanding questions regarding the above.

**AN ORDINANCE AMENDING TITLE 3 (REVENUE AND FINANCE), CHAPTER 3.04 (PROPERTY TAXES), TO AMEND SECTIONS 3.04.050 (DELINQUENT TAXES--INSTALLMENT PAYMENTS--NONLITIGATED DELINQUENCIES) AND 3.04.060 (DELINQUENT TAXES--INSTALLMENT PAYMENTS--LITIGATED DELINQUENCIES) TO PROVIDE THAT THE INSTALLMENT AGREEMENTS SHALL BE ENTERED INTO AND SIGNED BY THE TAX ASSESSOR/COLLECTOR AND THE CITY MANAGER.**

**WHEREAS**, Section 4.2 of the El Paso City Charter allows the City Council to, by ordinance, provide for additional designated officials to sign acts of Council on behalf of the Mayor;

**WHEREAS**, Section 33.02, Texas Tax Code, provides authority for the City of El Paso's Tax Assessor/Collector to enter into installment agreements for the payment of delinquent taxes; and

**WHEREAS**, the City Manager or a Deputy City Manager of the City of El Paso should be authorized to sign these agreements in lieu of requiring some of them to be presented to the City Council for authorization the interest of efficiency of administrative governmental operations in the City.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

Section 1. That Section 3.04.050 of the El Paso Municipal Code shall be amended and re-titled to read as follows:

**3.04.050. Delinquent taxes—Installment payments**

Taxpayers who are delinquent on personal or real property ad valorem taxes, as shown by the delinquent tax rolls of the city, may be permitted to enter into installment payment agreements with the City to pay such delinquent taxes, subject to the following conditions:

A. Installment payment schedules shall be set up only in cases of the economic hardship of the taxpayer or under such other circumstances in which such payment shall be in the best interests of the city; provided further, that the facts supporting a determination of hardship or of special benefit to the city shall be documented in writing in the account files kept by the city tax assessor/collector, city attorney, or such other officer as may be authorized by ordinance to collect taxes.

B. Each such agreement shall be in writing and shall be signed by the taxpayer or by his or her authorized representative, by the tax assessor/collector, and by the City Manager as provided in this section.

C. The execution of an agreement to make installment payments constitutes an admission that all the amounts listed are due and owing, and the taxpayer shall be estopped to contest the validity of the assessment at any later time.

D. For delinquent tax accounts of ten thousand dollars or less, the tax assessor/collector shall be empowered to enter into installment payment agreements on behalf of the city, subject to the guidelines set forth in subsections A through C of this section. The tax assessor/collector may not delegate this authority except as permitted by law.

E. For delinquent accounts of over ten thousand dollars, the tax assessor/collector shall be empowered to enter into installment payment agreements on behalf of the city, subject to the guidelines set forth in subsections A through C of this section, and such agreements shall additionally be signed by the city manager or a deputy city manager as may be designated by the city manager. The tax assessor/collector may not delegate this authority, except as permitted by law.

F. The term of the installment payment period shall be for the number of months deemed appropriate in each case; provided, that whenever feasible the account shall be paid in full before the next successive delinquency date after the arrangements to pay are made; and further provided, that no installment payment period of more than thirty-six months shall be approved by the tax assessor/collector.

G. All installment agreements are subject to limitations of the State Property Tax Code, as amended, the terms of which are incorporated insofar as the State Property Tax Code is more restrictive as to terms and conditions of installment payments.

H. Interest and penalty shall accrue as otherwise provided by law.

I. If a delinquent tax suit or other collection litigation has been commenced, the prosecution of the lawsuit by the city shall be withheld only as long as the taxpayer is current on the payment schedule. The failure of the taxpayer to make timely payments shall be a breach of the agreement.

Section 2. That Section 3.04.060 (Delinquent taxes—installment payments—litigated delinquencies) of the El Paso Municipal Code shall be repealed.

Section 3. Except as herein amended, the remainder of Chapter 3.04 of the El Paso Municipal Code shall remain in full force and effect.

ADOPTED THIS 15<sup>th</sup> day of March 2005.

CITY OF EL PASO

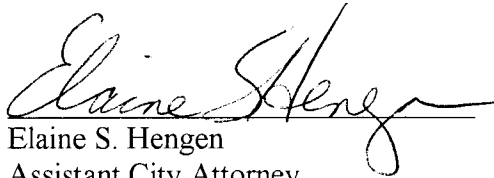
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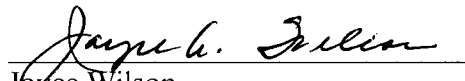
\_\_\_\_\_  
Joe Wardy, Mayor

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Elaine S. Hengen  
Assistant City Attorney

  
\_\_\_\_\_  
Joyce Wilson  
City Manager

APPROVED AS TO CONTENT:

  
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Juan Sandoval  
Tax Assessor/Collector